REMARKS

In the Office Action[1], the Examiner:

objected to the specification;

rejected claims 9-16[2] under 35 U.S.C. § 112, second paragraph, as allegedly indefinite;

rejected claims 1-5, 7-8, 25, 27, and 28 under 35 U.S.C. § 101 as allegedly drawn to non-statutory subject matter;

rejected claims 1-5, 9-13, and 17-21 under 35 U.S.C. § 103(a) as allegedly obvious over U.S. Patent Publication 2002/0059127 to Brown et al. ("Brown") in view of U.S. Patent No. 7,016,870 to Jones et al. ("Jones");

rejected claims 7, 8, 15, 16, and 23-25 under 35 U.S.C. § 103(a) as allegedly obvious over Brown and Jones in view of U.S. Patent Publication 2005/0262014 to Fickes ("Fickes");

rejected claim 27 under 35 U.S.C. § 103(a) as allegedly obvious over Brown, Jones, and Fickes in view of U.S. Patent Publication 2004/0158479 to Adhikari ("Adhikari"); and

rejected claim 28 under 35 U.S.C. § 103(a) as allegedly obvious over Brown, Jones, Fickes and Adhikari, in view of Official Notice.

---

[1] The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant declines to automatically subscribe to any statement or characterization in the Office Action.
[2] Claim 14 is cancelled. Applicant assumes that the inclusion of claim 14 in the rejection was a typographical error.

Claims 1-5, 7-13, 15-21, 23-25, 27, and 28 are pending in this application. Claims 1, 9, and 25 are amended by this reply. No new matter is added by this Amendment.

Applicant respectfully traverses the objection to the specification. The specification has been amended to obviate the objection. Accordingly, Applicant respectfully requests that the objection be withdrawn.

Applicant respectfully traverses the rejection of claims 9-16 under 35 U.S.C. § 112, second paragraph. Claim 9 has been amended in a manner consistent with the Examiner's helpful suggestion and to overcome the rejection of the claims. Claim 14 is cancelled. Claims 10-13, 15, and 16 depend from claim 9 and are themselves definite. Accordingly, Applicant respectfully requests that the rejection of claims 9-16 under 35 U.S.C. § 112 be withdrawn.

Applicant respectfully traverses the rejection of claims 1-5, 7-8, 25, 27, and 28 under 35 U.S.C. § 101. Claims 1 and 25 have been amended in a manner consistent with the Examiner's helpful suggestion and to overcome the rejection of the claims. Claims depending from independent claims 1 and 25 are also drawn to statutory subject matter. Accordingly, Applicant respectfully requests that the rejection of claims 1-5, 7-8, 25, 27, and 28 under 35 U.S.C. § 101 be withdrawn.

Applicant respectfully traverses the rejections of the claims under 35 U.S.C. § 103(a). A *prima facie* case of obviousness has not been established with respect to these claims because the claims have been improperly construed and because the

cited references do not teach or suggest each and every feature of claim 1 as asserted by the Office Action.

The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. See M.P.E.P. § 2142, 8th Ed., Rev. 6 (Sept. 2007). Such an analysis should be made explicit and cannot be premised upon mere conclusory statements. See id. "A conclusion of obviousness requires that the reference(s) relied upon be enabling in that it put the public in possession of the claimed invention." M.P.E.P.§ 2154. Furthermore, "[t]he mere fact that references can be combined or modified does not render the resultant combination obvious unless the results would have been predictable to one of ordinary skill in the art" at the time the invention was made. M.P.E.P. § 2143.01(III), internal citation omitted. Moreover, "[i]n determining the differences between the prior art and the claims, the question under 35 U.S.C. § 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious." M.P.E.P. §2141.02(I), internal citations omitted (emphasis in original).

"[T]he framework for the objective analysis for determining obviousness under 35 U.S.C. § 103 is stated in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966). . . . The factual inquiries . . . [include determining the scope and content of the prior art and] . . . [a]scertaining the differences between the claimed invention and the prior art." M.P.E.P. § 2141(II). "Office personnel must explain why the difference(s)

between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art." M.P.E.P. § 2141(III).

Claim 1 recites, in part, "automatically performing one or more actions depending upon the manner or degree to which one or more of the presettable conditions are satisfied." The Office Action correctly recognizes that Brown does not disclose or suggest at least this feature of claim 1. Office Action p. 9. The Office Action does allege, however, that Jones remedies the deficiencies of Brown. *Id.* But, this allegation is not correct.

The Office Action, in explaining the rejection, states "{Jones} further discloses the financial advisory system which provides an *initial diagnosis* based upon the user's risk preference, savings rate, and desired risk-return tradeoffs [column 6 lines 38-44]. He discloses *offering advice* regarding which decision variable should be modified to bring the portfolio back on track to reach the one or more financial goals with the desired probability [column 28 lines 24-37]. He discloses *recommending reallocation to improve efficiency of the portfolio*. [Id.] An alert may be generated to notify the user of the *advice* and/or *need for affirmative action* on his/her part. [Id]" (emphases original, brackets original, curved brackets added]. Office Action p. 4 The Office Action concludes "[the] Examiner maintains that *initial diagnosis*, *offering advice*, *recommending reallocation*, *need for affirmative action,* and *triggering a notification* is indicative of Applicant's **displaying before (emphasis added) a sale or purchase of each object**" (emphases original). Office Action p. 4.

In other words, the Office Action has provided no clear evidence of the "presenting advice for a degree to which the conditions are satisfied," as recited in claim 1. If the Office Action must rely on "initial diagnosis, offering advice, recommending reallocation, need for affirmative action and triggering a notification," the Office Action has not clearly explained how the combination of all of these allegations meets the recitations of the claims. Since the Office Action has either misinterpreted Jones, or alleged that Jones has features beyond what is disclosed, Applicant submits that none of the "initial diagnosis, offering advice, recommending reallocation, need for affirmative action and triggering a notification" meet the recitations of the claims.

Preliminarily, the Office Action has read the "presenting advice for a degree to which the conditions are satisfied on a display before a sale or purchase of each object" element of claim 1 in a vacuum. It is submitted that the claimed "conditions" are "conditions" that may be satisfied to some extent by the "intermediate variable." In the explanation of the rejection of Jones, the Office Action has completely disassociated the "conditions" from the "intermediate variable." There is no disclosure or suggestion in Jones that any of the "initial diagnosis, offering advice, recommending reallocation, need for affirmative action and triggering a notification" constitute "advice" that is based on the "degree to which one or more of the presettable conditions are satisfied" **by the "intermediate variable."** **It is improper for the Office Action to allege a "condition" on an "intermediate variable" in Brown and then rely on Jones only to allegedly show a "condition" without also showing that Jones discloses an "intermediate variable."**

First, the "initial diagnosis" in Jones cannot constitute the claimed "conditions" or "advice." Jones discloses "financial advisory system 100 may provide an initial diagnosis based upon the user's risk preference, savings rate, and desired risk return tradeoffs." Jones col. 6, lines 39-41. However, none of the disclosed "risk preference, savings rate, and desired risk return tradeoffs" in Jones constitute "conditions" that are satisfied to some degree by an "intermediate variable." Even if "risk preference, savings rate, and desired risk return tradeoffs" in Jones could constitute a "condition," which Applicant does not concede, these are not "conditions" that are satisfied to some degree by an "intermediate variable." Furthermore, the "initial diagnosis" in Jones does not constitute "advice" offered to a user which is "determine[d]" based on "the manner or degree to which the presettable conditions are satisfied" by the "intermediate variable."

Second, the "offering advice" in Jones is not based on "the manner or degree to which one or more of the presettable conditions are satisfied," as claimed in claim 1. Jones states "the system may offer advice regarding which decision variable should be modified **to bring the portfolio back on track to reach the one or more financial goals** with the desired probability" (emphasis added). Jones col. 28, lines 26-29. However, this "advice" in Jones is not based on the "degree to which one or more of the presettable conditions are satisfied" by the "**intermediate variable**."

Furthermore, if anything, the "advice" in Jones is on how to adjust the **conditions**, **not** the advice. For example, if the "system" in Jones is providing advice on how to modify a "decision variable," that will "bring the portfolio back on track,"

Jones discloses modifying a "condition" based on the "advice" and not modifying the "advice" based on the "condition," as claimed.

Third, "recommending reallocation" in Jones is not based on "the manner or degree to which one or more of the presettable conditions are satisfied," as claimed in claim 1. Jones states "the system may recommend a reallocation to improve efficiency of the portfolio." Jones col. 28, lines 30-31. Not only is this "advice" in Jones not based on the "degree to which one or more of the presettable conditions are satisfied" by the "**intermediate variable**," "recommending reallocation" in Jones does not constitute advice. If Jones is disclosing "recommending reallocation," Jones is disclosing "advice for" the **modification of the conditions, rather than "advice" based on the "condition**," as claimed.

Fourth, "need for affirmative action and triggering a notification" does not constitute the claimed "presenting advice for a degree to which the conditions are satisfied on a display." Jones discloses "[a]n alert may be generated to notify the user of the advice and/or need for affirmative action on his/her part." Jones col. 28, lines 32-34. But, an "alert" does not constitute either "presenting advice" or "presenting advice **for a degree to which the conditions are satisfied**." An alert only notifies the user that "affirmative action" is required. The "alert" itself provides no "advice," much less "advice" about "the degree to which the conditions are satisfied" by the "intermediate variable," as claimed.

For at least the above reasons, Jones does not remedy the deficiencies of Brown. A *prima facie* case of obviousness has not been established at least because

the Office Action has either misinterpreted Jones, or alleged that Jones has features beyond what is disclosed, as discussed above. Therefore, for at least the foregoing reasons, the rejection is improper and should be withdrawn.

In the response dated July 23, 2009, Applicant submitted further remarks to which the Office Action did not respond. Namely, for at least two distinct reasons, Brown teaches away from Jones. Inasmuch as the Office Action did not respond to these remarks, similar remarks are repeated below. Should the Examiner find that the claims are not allowable in view of the foregoing, Applicant respectfully requests that the Examiner respond to the following remarks.

Notwithstanding the above reasons that claim 1 is allowable, claim 1 is also allowable because Brown teaches away from Jones. For example, Brown states "[f]or each tax lot, the difference between the present market value of the security and a past historical value of the security is calculated and compared to a predetermined tax loss threshold, the security is automatically sold to provide tax losses for offsetting gains in the portfolio" (emphasis added). Brown paragraph [0014].

Brown makes no provision for the "manner or degree to which one or more of the presettable conditions are satisfied" as claimed in claim 1. In Brown, regardless of whether the alleged "condition" is met, slightly exceeded, or exceeded by a great deal, Brown discloses "the security is automatically sold." Brown paragraph [0014]. Thus, there can be no rational reason, motivation, or suggestion to combine Brown with Jones because the "recommend[ation of] portfolio allocations" taught by Jones is meaningless in the context of Brown. If Brown is interested in harvesting tax losses, there is no

reason that one of ordinary skill in the art would "recommend portfolio allocations" that make money. Making money is contrary to the purpose of Brown because Brown is harvesting **losses** to "offset gains in the portfolio." Brown paragraph [0014]. Thus, there is no reason then why Brown would include the "recommend[ations of] portfolio allocations" taught by Jones. Accordingly, since there is no motivation to combine Brown and Jones, a *prima facie* case of obviousness has not been established with respect to claim 1. The rejection should be withdrawn.

Finally, and notwithstanding the above, Brown teaches away from Jones for another distinct reason. Claim 1 recites that "the one or more actions are performed before a sale or purchase of each object." If, as discussed above, Brown is interested in the "automatic sale" of a security as soon as the "predetermined tax loss threshold" is met (Brown paragraph [0014]), there is no reason to modify Brown to include "portfolio allocations" and a "target asset-mix" taught by Jones, as the Office Action alleges. Office Action p. 9. In other words, there is no reason that one of ordinary skill in the art would have modified Brown, which is interested in **losing money** for tax purposes, with Jones to provide "recommend[ed] portfolio allocations" to **make money** prior to the "sale or purchase of each object" as claimed in claim 1. If Brown's tax losses were reallocated before the disclosed "automatic sale" in order to make money as taught in Jones, it would frustrate the purpose of Brown at least because Brown is trying to maximize the amount of money lost to offset tax liability for capital gains purposes. Accordingly, Brown teaches away from Jones because Jones, if combined with Brown, frustrates the purposes of Brown. Therefore, a *prima facie* case of obviousness has

not been established with respect to claim 1. As such, Applicant respectfully requests that the Examiner withdraw the rejection of claim 1 under 35 U.S.C. § 103(a).

Independent claims 9, 17, and 25 contain features similar to those discussed in connection with claim 1. None of Fickes, Adhikari, or Official Notice remedy any of the deficiencies of Brown and Jones as outlined above. Applicant therefore asserts that these claims are allowable for at least similar reasons as claim 1. In instances where the Examiner has relied on Official Notice, Applicant requests the Examiner provide evidence of each and every assertion made in the Office Action.

The dependent claims are allowable for at least the same reasons as the independent claims from which these dependent claims depend. Applicant respectfully requests the Examiner withdraw the rejections of the claims under 35 U.S.C. § 103 and allow the claims.

CONCLUSION

In view of the foregoing, Applicant respectfully requests reconsideration and reexamination of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.

Dated: December 18, 2009

By: _____
Travis R. Banta
Reg. No. 60,498